

MINUTES
GREEN BAY HOUSING AUTHORITY
Thursday, March 27, 2014, 10:30 a.m.
1424 Admiral Court, Second Floor Reading Room
Green Bay, WI 54303

MEMBERS PRESENT: William VandeCastle – Chair, Sandra Popp - Vice Chair, Brenda Goodlet, Ann LaHaie, and Brad Hansen

MEMBERS EXCUSED: Brenda Goodlet

OTHERS PRESENT: Robyn Hallet, Nikki Aderholdt, Stephanie Schmutzer

APPROVAL OF MINUTES:

1. Approval of the February 20, 2014, minutes of the Green Bay Housing Authority

S. Popp made a motion, seconded by B. Hansen, to approve the minutes of the February 20, 2014, meeting of the Green Bay Housing Authority. Motion carried.

COMMUNICATIONS:

2. Letter from the Office of Labor Relations dated March 7, 2014, regarding results of remote monitoring review.

R. Hallet explained that the Office of Labor Relations was conducting a remote review of the Green Bay Housing Authority's (GBHA) compliance with Federal labor standards. Four contracts have been randomly selected for examination. The summary indicated that the OLR had concluded the GBHA was properly conforming to Federal labor standards. There had been no negative findings or cause for concern.

A. LaHaie made a motion, seconded by S. Popp, to accept the OLR letter and place on file. Motion carried.

OLD BUSINESS:

None

NEW BUSINESS:

3. Adoption of Resolution No. 14-01 Civil Rights Certification.

R. Hallet explained that the Civil Rights Certification is part of the GBHA's annual plan and is required every year within the five-year plan. Because the GBHA is designated as a "small" housing authority, it is allowed a streamlined annual plan process which consists of only a public hearing and the Civil Rights Certification. The public hearing will be discussed more under another agenda item; at this point she was asking that the Certification be approved as a resolution.

S. Popp made a motion, seconded by A. LaHaie, to adopt Resolution No. 14-01 Civil Rights Certification. Motion carried.

4. Approval to award Mason Manor Patio Replacement to lowest responsive and responsible bidder, IEI General Contractors for \$15,359.00.

R. Hallet stated that a summary of all four bidders had been provided in the meeting packet. IEI General Contractors had submitted the lowest bid. Initial estimates for the cost of the project had been between \$16,000 and \$18,000.

B. Hansen pointed out the wide variance in bid quote prices, and inquired if there was an explanation. R. Hallet explained that the wide variation was unusual and noted by staff as well, but because the four quotes were split with two lower bids and two higher bids, the variance had been accepted. Additionally, the City Purchasing Department has worked with IEI General Contractors on previous projects with success.

B. Hansen made a motion, seconded by A. LaHaie, to approve the awarding of the Mason Manor Patio Replacement to IEI General Contractors for \$15,359.00. Motion carried.

5. Discussion and possible action regarding Mason Manor elevators.

R. Hallet explained that Mason Manor's two original elevators had been having frequent maintenance issues. The third, as part of the 2010 addition, was functioning properly. We know that if the original two were to fail, it would be a very costly endeavor to replace them. We're at the point where we want to discuss putting aside money for their eventual replacement. Architect Dave Johnson had been contacted, and initial estimates for replacement elevators are \$250,000 per elevator.

S. Popp inquired about the nature of the malfunctions, and if one particular elevator had undergone repair in the past. R. Hallet clarified that there was almost constant work being done on both elevators. N. Aderholdt stated the elevator had also undergone cosmetic repair, including a new floor. However, the mechanics of the elevator are old and could fail.

S. Popp asked how much money was in GBHA reserves. R. Hallet stated that the GBHA had been required to spend down their reserves, so there was a discrepancy in available funds and the cost to replace both elevators.

N. Aderholdt clarified that the current proposal was not to allocate the full cost of replacement right away; we are only asking to create a category for funding to save for the eventual cost.

S. Schmutzer explained that this funding could be allocated separately from reserve funds, and as such would not affect reserve fund requirements.

W. VandeCastle stated that a measure could be voted on to establish the fund. We can look at actually allocating funding to it within our next budget.

S. Popp inquired if the Authority had the ability to allocate funding from our reserve funding, as opposed to spending it. S. Schmutzer stated that this would be possible if the equity transfer was drawn from the reserve fund and designated from Unrestricted to Restricted funding. As far as she can tell, the Department of Housing and Urban Development (HUD) uses the level of Unrestricted funding to gauge an Authority's level of reserve funds. If the funding is designated for a certain project (as this funding would be), then it would not affect the level of reserve funding.

W. VandeCastle restated his position that the creation of an elevator fund should be voted on today. Measures to begin allocating funds to it and to designate reserve funding as Restricted would take place in the future.

N. Aderholdt inquired if Unrestricted funding is transferred to Restricted funding, is that funding then available to be moved back to Unrestricted funding? Can it be moved back out at any point or is it off-limits? S. Schmutzer stated that the funding could only be returned to Unrestricted by GBHA Commissioner approval.

R. Hallet asked if, along with any reserve balance that we may want to transfer, we are also setting the fund up so that we can allocate a portion of our annual capital improvement fund to go into that reserve as well.

S. Schmutzer clarified that no, we are not able to transfer the funds into an equity fund. The funds would have to be drawn down, and that cannot be accomplished unless there is an expense to designate them under.

R. Hallet inquired how housing authorities that do not have a reserve are able to budget for expenses similar to this one. S. Schmutzer clarified that you can set up a scenario in which you're going to spend part of your Operating Budget. She explained that she has a three-day time window in which she can expend drawn funds. When these funds are drawn, they must be expended within three days, thus prohibiting an "Elevator fund" designation to a portion of annual capital improvement funding.

S. Schmutzer further clarified that many other housing authorities don't use their CFP money for small costs like we do; they allocate all of their annual CFP money to a large project. R. Hallet asked what happens in situations when the annual CFP funds do not fully cover the cost of the project. S. Schmutzer clarified that in those situations, they use money from another year.

For clarification, N. Aderholdt stated the situation as she understood it; that the funding could not be withdrawn from regular operating funds and put into a savings fund for the purpose of eventual elevator replacement.

S. Popp stated that if the GBHA knew the elevator replacement was going to be an expense at the beginning of the year, the funding could be planned for and properly allocated.

W. VandeCastle made a motion, seconded by S. Popp, to establish an Elevator Replacement line item on the GBHA's accounts. Motion carried.

W. VandeCastle stated he would like to discuss more specific cost estimates of the elevator replacement at the next GBHA meeting. S. Schmutzer stated that once specific costs are discussed, they can be withdrawn from the Operating Budget.

A. LaHaie inquired if the current elevator replacement cost estimates will increase in the future.

N. Aderholdt stated that this was something that would have to be taken into consideration.

W. VandeCastle stated that in that case, the elevator replacement fund would still serve a purpose and the remaining funds could be withdrawn from other sources.

S. Popp stated the importance of making sure both elevators are not out of commission simultaneously. R. Hallet stated that there may be cost savings in replacing both elevators at the same time, but hopefully one of the two elevators would remain functional during replacement.

6. Report on comments from Resident Advisory Board and Public Hearing

R. Hallet reported that this was a component of the Annual Plan that had been discussed during Item 3 of the current meeting. As far as she could tell, the GBHA was not required to have a Resident Advisory Board meeting for the Annual Plan; however, it is good practice. An annual Public Hearing is required. As expected, there had been zero attendance to the Public Hearing this year. The Resident Advisory Board meeting did have participants. R. Hallet gave a summary of the items that had been discussed at the meeting, including: the 2014 financial outlook, a reminder on the structure of property management, 2013 achievements and progress, and the various contracts at both Scattered Sites and Mason Manor. There had been a resident suggestion of installing a new swing on the patio, but at that point it was believed that there would not be enough funding. Various goals had also been discussed, as well as policies and suggestions for improvement. There had been a suggestion to change the sign for Mason Manor, which currently reads "Mason Manor Retirement Community". The change would remove the wording "Retirement Community" since Housing Authorities are no longer allowed to designate housing as for elderly or disabled tenants. Research into a new sign was ongoing, and Mason Manor management was waiting on bids from vendors.

S. Popp suggested that the wording of a description from the Resident Advisory Board meeting minutes be changed from "mentally disabled residents" to "residents with mental health issues."

At the Resident Advisory Board meeting, there was a concern expressed about residents who may cause disruptions due to mental health issues. There had also been discussion about pet waste on Mason Manor property.

S. Popp asked how many of the residents kept pets. N. Aderholdt replied that about a quarter of the residents had pets, the majority of them cats.

R. Hallet reported that other items discussed at the meeting included maintaining a pest-free environment, instructions on cleaning drapes, electrical maintenance, and the Smoke-Free policy.

S. Popp inquired when the Smoke-Free policy was scheduled to launch.

N. Aderholt explained that the date was June 1st, although for some residents the policy would take effect when they signed their new lease.

W. VandeCastle made a motion, seconded by S. Popp, to accept the report on comments from the Resident Advisory Board and Public Hearing. Motion carried.

FINANCIAL REPORT AND BILLS:

7. Approval of Audited Financials

W. VandeCastle stated that after investigation, it was his opinion that the Audited Financials appeared free of error.

W. VandeCastle made a motion, seconded by B. Hansen, to approve the Audited Financials. Motion carried.

S. Schmutzer reported on the state of Financials and Bills. The GBHA's utilization of the Tax Refund Intercept Program (TRIP) had been successful in recapturing funds owed. The program had recovered over \$11,000.

S. Popp inquired as to how many former tenants had been entered into the program. N. Aderholdt explained that only a handful had come from Mason Manor and between 12 and 20 from the Scattered Sites.

W. VandeCastle asked if the recovered funds had come directly from the TRIP program, or if the former tenants had sent the owed funds after being notified of their TRIP entry. N. Aderholdt stated that the funds had been recovered from the TRIP program. As soon as the former tenants move out, they receive the notice letter which informs them of the funds owed.

W. VandeCastle asked if the Scattered Sites properties had difficulties with the large amount of winter snow and freezing and City-sanctioned running of faucets. N. Aderholdt explained that some residences, particularly along University Avenue, had been asked by the City to keep their faucets running. The City would bear the cost; the tenants would not be billed.

B. Hansen made a motion, seconded by S. Popp, to approve the Financial Reports and Bills. Motion carried.

STAFF REPORT:

8. Langan Investigations summary for 2013

R. Hallet summarized the report provided in the packet.

S. Popp made a motion, seconded by W. VandeCastle, to approve the Langan Investigations summary for 2013. Motion carried.

9. Langan Investigations report for the month of February

R. Hallet reported that during the month of February 2014, there had been five applications for the Scattered Sites, zero for Mason Manor, one fraud investigation, and no active investigations. The single fraud investigation had revealed an incident of fraud.

N. Aderholdt clarified that there was one active investigation that had been sent in the previous week.

A. LaHaie inquired about the fraud process. N. Aderholt stated that those found guilty of fraud are given a 28-day notice to vacate. Incidents of violence or drug use are given a 14-day notice to vacate.

W. VandeCastle made a motion, seconded by S. Popp, to approve the Langan Investigations report from the month of February 2014. Motion carried.

10. Occupancy Report

N. Aderholdt reported that for the month of February 2014, there were three deaths, one incarceration, and a transfer in Mason Manor. In the Scattered Sites there were two terminations, one abandonment, and one tenant purchased a home. Mason Manor is currently

operating at 96.7% occupancy, and the Scattered Sites is currently operating at 98% occupancy.

B. Hansen inquired if every vacant Scattered Sites unit had new resident scheduled to move in. N. Aderholdt explained that residents were lined up and waiting to sign leases.

W. VandeCastle made a motion, seconded by B. Hansen, to accept the Occupancy Report and place on file. Motion carried.

For other Staff Reports, R. Hallet reported that a new Planning and Community Development Director, Kim Flom, will be starting April 14, 2014. It is the hope that her schedule will allow her to attend the April GBHA meeting, but a busy first few weeks may prevent her from being present.

W. VandeCastle made a motion, seconded by A. LaHaie, to adjourn. Motion carried.

Meeting adjourned at 11:15 a.m.

caa:rah:jd